

224260



June 1, 2010

Ms. Jocelyn Boyd
Interim Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, South Carolina 29210

Dear Ms. Boyd:

In compliance with the Public Service Commission's Order No. 18,100 in Docket No. 17,134 dated January 15, 1975; a request from the Executive Director dated September 30, 1987; Order Nos. 88-864 and 88-971 in Docket No. 88-11-E; and the officer verification certification enacted by the Commission on December 17, 2002, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. submits the following information per its books and as adjusted for the 12-month period ending March 31, 2010:

1. Officer verification certificate
2. System Rate of Return on Rate Base - Exhibit A1
3. South Carolina Rate of Return on Rate Base - Exhibit A2
4. Return on Common Equity (Allocated to South Carolina Retail) - Exhibit B
5. Earnings Per Share on Progress Energy's Common Stock - \$2.72
6. Debt Coverage Ratio or Earnings to Fixed Charges - 4.97 times

The allocations and adjustments required to determine the information requested in the Commission's orders and request are in general accordance with the allocation methodology described by the Commission in our most recent general rate case (Docket No. 88-11-E, Order No. 88-864). The level of detail encompassed in this report is not sufficient for ratemaking purposes.

Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions or concerns, please call me at 919-546-2559.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Scott Foster'.

M. Scott Foster
Manager - PEC Regulatory & Property Accounting
Progress Energy Service Company

SWD
CO

c: John Flitter

Enclosure

A circular stamp, likely a filing or processing mark, with some illegible text inside.

CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Mark F. Mulhern, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2010 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.

Mark F. Mulhern

Mark F. Mulhern
Executive Vice President and Chief Financial Officer
Progress Energy, Inc.

May 27, 2010
Date Signed

Subscribed and Sworn to before me this 27th day of May, 2010.

Deborah Holtz

Notary Public

My Commission Expires:

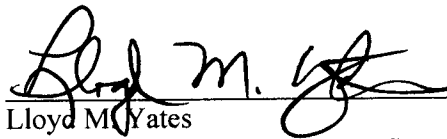
June 25, 2011

CERTIFICATION

(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

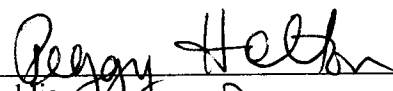
The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s ~~2009~~ ²⁰¹⁰ financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.



Lloyd M. Yates
President & Chief Executive Officer
Progress Energy Carolinas, Inc.

May 27, 2010
Date Signed

Subscribed and Sworn to before me this 27th day of May, 2010


Notary Public
My Commission Expires: June 25, 2011

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED MARCH 31, 2010

SYSTEM TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	4,716,816,772	(218,720,525)	4,498,096,247
OPERATING EXPENSE:			
NET O&M EXPENSES	3,047,745,512	(248,627,161)	2,799,118,351
DEPRECIATION	469,091,240	34,240,673	503,331,913
TAXES (OTHER THAN INCOME)	215,491,768	(3,555,017)	211,936,751
INCOME TAX - STATE	46,134,838	(2,449,064)	43,685,774
INCOME TAX - FEDERAL	211,136,639	(43,297,693)	167,838,946
PROV. FOR DEFERRED TAXES	87,515,025	31,725,201	119,240,226
INVESTMENT TAX CREDIT	(5,732,769)	-	(5,732,769)
TOTAL OPERATING EXPENSE	4,071,382,253	(231,963,061)	3,839,419,192
INCOME FOR RETURN:			
OPERATING INCOME	645,434,519	13,242,536	658,677,055
CUSTOMER GROWTH	2,662,198	54,621	2,716,819
INTEREST ON CUST. DEPOSITS	(5,705,060)	-	(5,705,060)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	642,391,657	13,297,157	655,688,814
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	16,350,006,177	97,782,665	16,447,788,842
PLANT HELD FOR FUTURE USE	12,150,075	-	12,150,075
RESERVE FOR DEPRECIATION	(8,715,075,251)	(36,445,485)	(8,751,520,736)
NET PLANT IN SERVICE	7,647,081,001	61,337,181	7,708,418,182
NUCLEAR FUEL INVENTORY	371,573,207	-	371,573,207
DEFERRED TAXES - LIB. DEPR.	(1,326,504,282)	138,637,838	(1,187,866,444)
REGULATORY ASSETS	638,422,029	(94,773,807)	543,648,222
WORKING CAPITAL:			
MATERIALS & SUPPLIES	701,593,181	(25,949,745)	675,643,437
CASH WORKING CAPITAL	435,631,437	-	435,631,437
UNCLAIMED REFUNDS	24,221	-	24,221
PREPAYMENTS	4,155,957	-	4,155,957
TAX ACCRUALS	(55,639,267)	-	(55,639,267)
CUSTOMER DEPOSITS	(98,281,500)	-	(98,281,500)
OPERATING RESERVES	(709,198,285)	-	(709,198,285)
CUSTOMER ADVANCES FOR CONSTR.	(19,674,636)	-	(19,674,636)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	258,611,108	(25,949,745)	232,661,364
TOTAL RATE BASE	7,589,183,063	79,251,467	7,668,434,531
RATE OF RETURN (%)	8.46		8.55

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED MARCH 31, 2010

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	566,336,334	(4,827,813)	561,508,521
OPERATING EXPENSE:			
NET O&M EXPENSES	422,960,274	(18,521,263)	404,439,011
DEPRECIATION	67,993,349	4,679,087	72,672,436
TAXES (OTHER THAN INCOME)	15,457,871	69,352	15,527,223
INCOME TAX - STATE	3,343,819	819,137	4,162,956
INCOME TAX - FEDERAL	(3,541,276)	2,063,908	(1,477,368)
PROV. FOR DEFERRED TAXES	20,642,485	(1,707,984)	18,934,501
INVESTMENT TAX CREDIT	(818,486)	-	(818,486)
TOTAL OPERATING EXPENSE	526,038,036	(12,597,763)	513,440,272
INCOME FOR RETURN:			
OPERATING INCOME	40,298,298	7,769,950	48,068,249
CUSTOMER GROWTH	(9,785)	(1,887)	(11,672)
INTEREST ON CUST. DEPOSITS	(508,336)	-	(508,336)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	39,780,177	7,768,063	47,548,241
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	2,354,394,869	14,083,721	2,368,478,590
PLANT HELD FOR FUTURE USE	1,749,986	-	1,749,986
RESERVE FOR DEPRECIATION	(1,242,484,657)	(5,154,329)	(1,247,638,986)
NET PLANT IN SERVICE	1,113,660,198	8,929,392	1,122,589,590
NUCLEAR FUEL INVENTORY	53,599,230	-	53,599,230
DEFERRED TAXES - LIB. DEPR.	(207,616,468)	13,913,021	(193,703,447)
REGULATORY ASSETS	98,925,608	(13,650,353)	85,275,255
WORKING CAPITAL:			
MATERIALS & SUPPLIES	88,033,313	11,158,209	99,191,522
CASH WORKING CAPITAL	60,818,794	-	60,818,794
UNCLAIMED REFUNDS	24,221	-	24,221
PREPAYMENTS	680,118	-	680,118
TAX ACCRUALS	(6,763,586)	-	(6,763,586)
CUSTOMER DEPOSITS	(15,086,110)	-	(15,086,110)
OPERATING RESERVES	(101,081,709)	-	(101,081,709)
CUSTOMER ADVANCES FOR CONSTR.	(2,619,650)	-	(2,619,650)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	24,005,391	11,158,209	35,163,599
TOTAL RATE BASE	1,082,573,959	20,350,267	1,102,924,226
RATE OF RETURN (%)	3.67		4.31

PROGRESS ENERGY CAROLINAS
S.C. QUARTERLY REPORT
S.C. RETAIL - RETURN ON COMMON EQUITY
FOR THE TEST YEAR ENDED MARCH 31, 2010

"PER BOOKS"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,687,505,372	41.70%	451,433,341	5.04%	22,752,240
PREFERRED STOCK	59,333,982	0.67%	7,253,246	5.56%	403,280
COMMON EQUITY	5,097,076,084	57.63%	623,887,373	2.66%	16,624,656
TOTAL CAPITALIZATION	8,843,915,438	100.00%	1,082,573,959		39,780,177

"ADJUSTED"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,674,590,659	42.15%	464,882,561	5.04%	23,430,081
PREFERRED STOCK	59,333,982	0.68%	7,499,885	5.56%	416,994
COMMON EQUITY	4,982,933,034	57.17%	630,541,780	3.76%	23,701,166
TOTAL CAPITALIZATION	8,716,857,675	100.00%	1,102,924,226		47,548,241